BMO Top Performing Portfolio GIC Terms & Conditions

The following sets out the terms & conditions of the **BMO Top Performing Portfolio GIC (Series 231)** BMO Financial Group is committed to providing complete and concise disclosure to investors interested in purchasing a BMO Progressive GIC. In exchange, you understand and agree as follows:

Summary of Investment Terms and Conditions

BMO Short Term Investment Certificate (STIC)	Not redeemable prior to maturity
STIC Purchase Date	Refer to the Application Investment/Reinvestment Request
STIC Maturity Date	March 12, 2026
STIC Rate of Return	1.00% per annum
STIC Interest	Calculated daily and paid at maturity
All proceeds (principal and interest) from the matured BMO STIC will be invested into a BMO Top Performing Portfolio GIC	
BMO Top Performing Portfolio GIC	
Term	6 years
Issue Date	March 12, 2026
Maturity Date	March 12, 2032
Calculation Date	February 27, 2032
Guaranteed Rate of Return for the Term	1.50%
Maximum Rate of Return for the Term	36.00%
Eligible for CDIC coverage	Yes

Continued

Summary of Investment Terms and Conditions *continued*

Reference Portfolio[1]	Portfolio #1 Weightings	Portfolio #2 Weightings	Portfolio #3 Weightings
S&P/TSX 60 Index	20%	50%	30%
S&P/TSX Banks Index	20%	5%	40%
S&P/TSX Capped Utilities Index	10%	15%	20%
S&P 500® Index	50%	30%	10%
Total	**100%**	**100%**	**100%**

1. On the Maturity Date you will receive 100% of the amount you invest in the BMO Top Performing Portfolio GIC (the "**GIC**") plus an amount based on the Rate of Return for the Term (as defined in the Investment Terms and Conditions). The Rate of Return for the Term will be the return on the best performing Reference Portfolio, which will not be less than the Guaranteed Rate of Return for the Term or greater than the Maximum Rate of Return for the Term.

   The return on a Reference Portfolio is equal to the weighted average of the percentage changes in the values of the securities or indices comprising the Reference Portfolio (the "**Underlying Interests**"), calculated as a percentage using the weightings set out above.

   The percentage change in the value of the Underlying Interests is equal to the percentage increase or decrease between the value of the Underlying Interests on the second business day after the Issue Date and the Calculation Date.

   You should note that the Rate of Return for the Term is not an annual rate. It is the rate of return over the entire term of the GIC.

   If market disruptions or other special circumstances affect the calculation of the return, the Calculation Agent may adjust or delay the calculation or payment of interest, estimate the value of an Underlying Interest or a constituent security of an index in the Reference Portfolio, replace an Underlying Interest and/or determine the amount of interest that may be payable in an alternate manner. These are the only circumstances in which the terms of the GIC may be amended.

2. The GIC may be suitable for you if you want an investment for a term of 6 years with a guaranteed minimum return that is payable at maturity and you are prepared to accept the risks described in the accompanying Investment Terms and Conditions. This is a summary of those risks:

   - The Rate of Return for the Term differs from the return payable on a fixed-rate investment since (i) it is not based on a fixed rate of interest that is known when the GIC is issued, (ii) it cannot be calculated before the Calculation Date because it is based on the performance of the best performing Reference Portfolio over the Term, and (iii) no part of the return on the GIC is paid before the Maturity Date.
   - The Rate of Return for the Term will never be more than the Maximum Rate of Return for the Term, no matter how well the best performing Reference Portfolio performs.
   - The value of the Underlying Interests used to calculate the Rate of Return for the Term will not include any distributions or dividends declared on a security or a constituent security of an index in the Reference Portfolio during the Term.
   - The value of the Underlying Interests is unpredictable and will be influenced by complex interrelated factors that affect the markets generally and the specific securities or indices in particular. The historical performance of Underlying Interests does not indicate the future performance of the Underlying Interests.
   - You cannot redeem the GIC before it matures. You cannot transfer your GIC and there will be no market through which you can sell it.
   - The likelihood that you will receive all the payments owing to you under the GIC will depend on the financial health and creditworthiness of Bank of Montreal.

- No independent calculation agent will be retained to confirm any determinations and any calculations made for the GIC.

3. Bank of Montreal and its affiliates may hold interests in or securities of, extend credit to or enter into other business dealings with one or more of the entities whose securities are held in or make up the Underlying Interests.
4. There are no fees and expenses applicable to an investment in the GIC.
5. If you deposit funds with us before the Issue Date, those funds will be invested in a Short Term Investment Certificate or "**STIC**" until the Issue Date. On the Issue Date, the funds in the STIC, plus interest at an annual rate equal to the STIC Rate of Return, accrued daily, will be invested in the GIC. There are no fees and expenses applicable to an investment in the STIC. If you cancel your order to purchase the GIC, we will return the funds you invested together with interest at the STIC Rate of Return from the date of investment to the earlier of the cancellation date and the Issue Date. The STIC cannot otherwise be redeemed or transferred by you.
6. You may cancel your order to purchase the GIC by contacting BMO Bank of Montreal either at a branch or by telephone any time up to the third business day after the later of: (i) today's date; and (ii) receipt of the written Investment Terms and Conditions of the GIC.

   You will be deemed to have received the Investment Terms and Conditions of the GIC on the earlier of: (i) the day recorded as the time of sending by the server or other electronic means, if sent to you by electronic means; (ii) the day recorded as the time of sending by the fax machine, if sent to you by fax; (iii) five business days after the postmark date, if sent to you by mail; and (iv) today, if given to you in person.
7. This is only a summary of certain terms of the GIC.
   - You should carefully read the application form for the GIC and the accompanying Investment Terms and Conditions for further details and a more complete discussion of the risks associated with an investment in the GIC.
   - A copy of the Investment Terms and Conditions of the GIC will be sent to you in the manner you request. Complete information about the GIC may also be found at bmo.com/gic or at your BMO Bank of Montreal branch upon request.
   - An indicative rate of return on the GIC, based on the performance of the best performing Reference Portfolio since the Issue Date, will be available at any BMO Bank of Montreal branch or at bmo.com/gic. The indicative rate of return is not a guarantee of the Rate of Return for the Term payable on the Maturity Date.

By signing below, you acknowledge that this summary has been read to you, that you have received a written copy of this summary and that you consent to this summary being read to you and provided to you in writing at any time before you enter into a contract to purchase the GIC.

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

BMO Financial Group

[1] The indices comprising the Reference Portfolio are products of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and TSX Inc., and have been licensed for use by Bank of Montreal. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Bank of Montreal. TSX® is a registered trademark of TSX Inc., and has been licensed for use by SPDJI and Bank of Montreal. The BMO Top Performing Portfolio GIC is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, or TSX Inc. and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the indices comprising the Reference Portfolio.

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BMO Top Performing Portfolio GIC Terms & Conditions

The following sets out the terms & conditions of the **BMO Top Performing Portfolio GIC (Series 231)** BMO Financial Group is committed to providing complete and concise disclosure to investors interested in purchasing a BMO Progressive GIC. In exchange, you understand and agree as follows:

Summary of Investment Terms and Conditions

BMO Short Term Investment Certificate (STIC)	Not redeemable prior to maturity
STIC Purchase Date	Refer to the Application Investment/Reinvestment Request
STIC Maturity Date	March 12, 2026
STIC Rate of Return	1.00% per annum
STIC Interest	Calculated daily and paid at maturity
All proceeds (principal and interest) from the matured BMO STIC will be invested into a BMO Top Performing Portfolio GIC	
BMO Top Performing Portfolio GIC	
Term	6 years
Issue Date	March 12, 2026
Maturity Date	March 12, 2032
Calculation Date	February 27, 2032
Guaranteed Rate of Return for the Term	1.50%
Maximum Rate of Return for the Term	36.00%
Eligible for CDIC coverage	Yes

Continued

Summary of Investment Terms and Conditions *continued*

Reference Portfolio	Portfolio #1 Weightings	Portfolio #2 Weightings	Portfolio #3 Weightings
S&P/TSX 60 Index[1]	20%	50%	30%
S&P/TSX Banks Index	20%	5%	40%
S&P/TSX Capped Utilities Index	10%	15%	20%
S&P 500® Index	50%	30%	10%
Total	**100%**	**100%**	**100%**

1. On the Maturity Date you will receive 100% of the amount you invest in the BMO Top Performing Portfolio GIC (the "**GIC**") plus an amount based on the Rate of Return for the Term (as defined in the Investment Terms and Conditions). The Rate of Return for the Term will be the return on the best performing Reference Portfolio, which will not be less than the Guaranteed Rate of Return for the Term or greater than the Maximum Rate of Return for the Term.

   The return on a Reference Portfolio is equal to the weighted average of the percentage changes in the values of the securities or indices comprising the Reference Portfolio (the "**Underlying Interests**"), calculated as a percentage using the weightings set out above.

   The percentage change in the Underlying Interests is equal to the percentage increase or decrease between the value of the Underlying Interests on the second business day after the Issue Date and the Calculation Date.

   You should note that the Rate of Return for the Term is not an annual rate. It is the rate of return over the entire term of the GIC.

   If market disruptions or other special circumstances affect the calculation of the return, the Calculation Agent may adjust or delay the calculation or payment of interest, estimate the value of an Underlying Interest or a constituent security of an index in the Reference Portfolio, replace an Underlying Interest and/or determine the amount of interest that may be payable in an alternate manner. These are the only circumstances in which the terms of the GIC may be amended.

2. The GIC may be suitable for you if you want an investment for a term of 6 years with a guaranteed minimum return that is payable at maturity and you are prepared to accept the risks described in the accompanying Investment Terms and Conditions. This is a summary of those risks:

   - The Rate of Return for the Term differs from the return payable on a fixed-rate investment since (i) it is not based on a fixed rate of interest that is known when the GIC is issued, (ii) it cannot be calculated before the Calculation Date because it is based on the performance of the best performing Reference Portfolio over the Term, and (iii) no part of the return on the GIC is paid before the Maturity Date.
   - The Rate of Return for the Term will never be more than the Maximum Rate of Return for the Term, no matter how well the Reference Portfolio performs.
   - The values of the Underlying Interests used to calculate the Rate of Return for the Term will not include any distributions or dividends declared on a security or constituent security of an index in the Reference Portfolio during the term.
   - The value of the Underlying Interest is unpredictable and will be influenced by complex interrelated factors that affect the markets generally and the specific securities or indices in particular. The historical performance of Underlying Interests does not indicate the future performance of the Underlying Interests.
   - You cannot redeem the GIC before it matures. You cannot transfer your GIC and there will be no market through which you can sell it.
   - The likelihood that you will receive all the payments owing to you under the GIC will depend on the financial health and creditworthiness of Bank of Montreal.
   - No independent calculation agent will be retained to confirm any determinations and any calculations made for the GIC.

Continued

3. Bank of Montreal and its affiliates may hold interests in or securities of, extend credit to or enter into other business dealings with one or more of the entities whose securities are held in or make up the Underlying Interests.
4. There are no fees and expenses applicable to an investment in the GIC.
5. If you deposit funds with us before the Issue Date, those funds will be invested in a Short Term Investment Certificate or "**STIC**" until the Issue Date. On the Issue Date, the funds in the STIC, plus interest at an annual rate equal to the STIC Rate of Return, accrued daily, will be invested in the GIC. There are no fees and expenses applicable to an investment in the STIC. If you cancel your order to purchase the GIC, we will return the funds you invested together with interest at the STIC Rate of Return from the date of investment to the earlier of the cancellation date and the Issue Date. The STIC cannot otherwise be redeemed or transferred by you.
6. You may cancel your order to purchase the GIC by contacting BMO Bank of Montreal either at a branch or by telephone any time up to the third business day after the later of: (i) today's date; and (ii) receipt of the written Investment Terms and Conditions of the GIC.

   You will be deemed to have received the Investment Terms and Conditions of the GIC on the earlier of: (i) the day recorded as the time of sending by the server or other electronic means, if sent to you by electronic means; (ii) the day recorded as the time of sending by the fax machine, if sent to you by fax; (iii) five business days after the postmark date, if sent to you by mail; and (iv) today, if given to you in person.
7. This is only a summary of certain terms of the GIC.
   - You should carefully read the application form for the GIC and the accompanying Investment Terms and Conditions for further details and a more complete discussion of the risks associated with an investment in the GIC.
   - A copy of the Investment Terms and Conditions of the GIC will be sent to you in the manner you request. Complete information about the GIC may also be found at **bmo.com/gic** or at your BMO Bank of Montreal branch upon request.
   - An indicative rate of return on the GIC, based on the performance of the best performing Reference Portfolio since the Issue Date, will be available at any BMO Bank of Montreal branch or at **bmo.com/gic**. The indicative rate of return is not a guarantee of the Rate of Return for the Term payable on the Maturity Date.

By signing below, you acknowledge that this summary has been read to you, that you have received a written copy of this summary and that you consent to this summary being read to you and provided to you in writing at any time before you enter into a contract to purchase the GIC.

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

Name: ______________________ Signature: ______________________ Date ____________

BMO Financial Group

24-1160_ACC

You have invested in the BMO Top Performing Portfolio Guaranteed Investment Certificate (the "**GIC**").

Between your deposit date and the Issue Date of the GIC, your deposit funds will be invested in a BMO Short Term Investment Certificate (the "**STIC**"). This document forms part of your application and, together with your application and the Summary of Investment Terms and Conditions (the "**Summary**"), sets out the terms and conditions that apply to your investment (the "**Investment Terms and Conditions**"). In these Investment Terms and Conditions, "we", "us" and "our" refer to Bank of Montreal Mortgage Corporation, the issuer of the STIC and the GIC, and a subsidiary of the Bank; "you" and "your" refers to the owner or owners of the investment named on the application form; and "Bank" refers to Bank of Montreal. Capitalized terms not otherwise defined herein have the meanings attributed to them in the Summary. A calculation agent (the "**Calculation Agent**"), being the Bank or other third party appointed by us, will make all calculations and determinations in respect of the investment and all such calculations and determinations will, absent manifest error, be final and binding.

Issuer. Bank of Montreal Mortgage Corporation.

Guarantor. Bank of Montreal.

Minimum Investment. You must invest a minimum of $1000.

Issue Date. Your GIC will be issued to you on the Issue Date set out in the Summary.

Term and Maturity Date. Your GIC has a term that begins on the Issue Date and continues for the period specified as the Term in the Summary. Your GIC matures on the day on which the Term ends, shown as the Maturity Date in the Summary.

Fees and Expenses. There are no fees and expenses applicable to an investment in the GIC.

Reference Portfolios. The three reference portfolios used to determine the Rate of Return for the Term (defined below) are described in the Summary (the "**Reference Portfolios**", each a "**Reference Portfolio**"). Each Reference Portfolio is a notional portfolio, used simply as a reference for the purpose of measuring the performance of the securities or indices comprising the Reference Portfolio (the "**Underlying Interests**"). Each Reference Portfolio will consist of the Underlying Interests in proportion to the weightings set out in the Summary.

Rate of Return for the Term. The "**Rate of Return for the Term**" will be equal to the Portfolio Return (as defined herein) of the Best Performing Reference Portfolio (as defined herein), unless:

a) if the Portfolio Return is less than the Guaranteed Rate of Return for the Term, the Rate of Return for the Term will be the Guaranteed Rate of Return for the Term; and

b) if the Portfolio Return is greater than the Maximum Rate of Return for the Term, the Rate of Return for the Term will be the Maximum Rate of Return for the Term.

The "**Best Performing Reference Portfolio**" will be the Reference Portfolio with the highest Portfolio Return on the Calculation Date.

Payment at Maturity. On the Maturity Date you will be entitled to receive:

a) the initial amount you deposited with us, plus interest accrued on the STIC at the STIC Rate of Return set out in the Summary (collectively, the "**Issue Amount**"), plus

b) the amount of interest (the "**Variable Interest**") which will be equal to the Issue Amount multiplied by the Rate of Return for the Term.

Amounts payable on the Maturity Date will be paid, or mailed if you have elected to receive your payment via cheque, no more than one business day after the Maturity Date.

Measurement of Portfolio Return. The "**Portfolio Return**" is determined as follows:

1. The performance of the Underlying Interests is determined by measuring the percentage change in the value of that security or index, as of market close, two business days after the Issue Date (the "**Issue Date Value**"), compared to its closing value on the Calculation Date ("**Calculation Date Value**"). The Calculation Agent will determine the Issue Date Value and the Calculation Date Value, using the applicable publicly listed closing prices, without reference to any dividends or distributions paid on a security or a constituent security of an index in the Reference Portfolio. The performance of each of the Underlying Interests (expressed as a percentage) is determined as follows:

$$\frac{\text{Calculation Date Value} - \text{Issue Date Value}}{\text{Issue Date Value}} \times 100$$

2. The Portfolio Return will equal the simple average of the percentage changes in the values of each Underlying Interest (positive, zero or negative, as the case may be), as determined above, for all of the Underlying Interests, taking into account the respective weightings of each Underlying Interest as identified in the Summary.

The Guaranteed Rate of Return for the Term, the Maximum Rate of Return for the Term and the Rate of Return for the Term are not annual interest rates.

Continued

Rate of Return for the Term Examples. The following information is presented to provide examples of how the payment of interest on the Maturity Date is calculated pursuant to these Investment Terms and Conditions. **These examples are based on hypothetical returns on 3 hypothetical portfolios consisting of four indices and are not intended as a forecast of future returns on the Underlying Interest in the Reference Portfolio or as a forecast of any payment of Variable Interest.**

The Underlying Interests can change from Series to Series. The Underlying Interests applicable to your GIC are outlined in the Summary.

Positive Price Performance Example

For this example, there are three hypothetical reference portfolios that contain four indices in the following weights:

Index	Portfolio #1	Portfolio #2	Portfolio #3
Index A	20%	50%	30%
Index B	20%	5%	40%
Index C	10%	15%	20%
Index D	50%	30%	10%

For this example, the Guaranteed Rate of Return for the Term is 2.00% and the Maximum Rate of Return for the Term is 40.00%.

The table below shows the percentage change in the value of the securities from two business days after the Issue Date to the Calculation Date.

Index	Issue Date Value	Calculation Date Value	Percentage Change (%)
Index A	$10.25	$14.15	38.05
Index B	$42.68	$65.40	53.23
Index C	$23.45	$36.50	55.65
Index D	$28.67	$33.12	15.52

Based on this, the percentage change in the value of the indices is determined as follows:

Index A

$$\frac{\$14.15 - \$10.25}{10.25\ \$} \times 100 = 38.05\%$$

Index B

$$\frac{\$65.40 - \$42.68}{\$42.68} \times 100 = 53.23\%$$

Index C

$$\frac{\$36.50 - \$23.45}{\$23.45} \times 100 = 55.65\%$$

Index D

$$\frac{\$33.12 - \$28.67}{\$28.67} \times 100 = 15.52\%$$

Based on this, the Portfolio Return of the three Reference Portfolios is determined as follows:

Portfolio #1
Portfolio Return = (20% × 38.05%) + (20% × 53.23%) + (10% × 55.65%) + (50% × 15.52%) = 31.58%

Portfolio #2
Portfolio Return = (50% × 38.05%) + (5% × 53.23%) + (15% × 55.65%) + (30% × 15.52%) = 34.69%

Portfolio #3
Portfolio Return = (30% × 38.05%) + (40% × 53.23%) + (20% × 55.65%) + (10% × 15.52%) = 45.39%

As a result, the Best Performing Reference Portfolio is Portfolio #3 with a return of 45.39%. The Maximum Rate of Return for the Term in our example is 40.00%. Since the Portfolio Return is greater than the Maximum Rate of Return for the Term, the Rate of Return for the Term is equal to the Maximum Rate of Return for the Term (i.e., 40.00%).

Assuming an Issue Amount of $1000, the holder of the GIC would be entitled to receive an interest payment of $400.00 on the Maturity Date.

Continued

Positive Price Performance Example

For this example, there are three hypothetical reference portfolios that contain four indices in the following weights:

Index	Portfolio #1	Portfolio #2	Portfolio #3
Index A	20%	50%	30%
Index B	20%	5%	40%
Index C	10%	15%	20%
Index D	50%	30%	10%

For this example, the Guaranteed Rate of Return for the Term is 2.00% and the Maximum Rate of Return for the Term is 40.00%.

The table below shows the percentage change in the value of the securities from two business days after the Issue Date to the Calculation Date.

Index	Issue Date Value	Calculation Date Value	Percentage Change (%)
Index A	$10.25	$12.15	18.54
Index B	$42.68	$59.40	39.18
Index C	$23.45	$26.50	13.01
Index D	$28.67	$33.12	15.52

Based on this, the percentage change in the value of the indices is determined as follows:

Index A

$$\frac{\$12.15 - \$10.25}{\$10.25} \times 100 = 18.54\%$$

Index B

$$\frac{\$59.40 - \$42.68}{42.6\$8} \times 100 = 39.18\%$$

Index C

$$\frac{\$26.50 - \$23.45}{\$23.45} \times 100 = 13.01\%$$

Index D

$$\frac{\$33.12 - \$28.67}{\$28.67} \times 100 = 15.52\%$$

Based on this, the Portfolio Return of the three Reference Portfolios is determined as follows:

Portfolio #1

Portfolio Return = (20% × 18.54%) + (20% × 39.18%) + (10% × 13.01%) + (50% × 15.52%) = 20.60%

Portfolio #2

Portfolio Return = (50% × 18.54%) + (5% × 39.18%) + (15% × 13.01%) + (30% × 15.52%) = 17.83%

Portfolio #3

Portfolio Return = (30% × 18.54%) + (40% × 39.18%) + (20% × 13.01%) + (10% × 15.52%) = 25.38%

As a result, the Best Performing Reference Portfolio is Portfolio #3 with a return of 25.38%. The Maximum Rate of Return for the Term in our example is 40.00%. Since the Portfolio Return is greater than the Guaranteed Rate of Return for the Term and less than the Maximum Rate of Return for the Term, the Rate of Return for the Term is equal to the Portfolio Return (i.e., 25.38%).

Assuming an Issue Amount of $1000, the holder of the GIC would be entitled to receive an interest payment of $253.80 on the Maturity Date.

Negative Price Performance Example

For this example, there are three hypothetical reference portfolios that contain four indices in the following weights:

Index	Portfolio #1	Portfolio #2	Portfolio #3
Index A	20%	50%	30%
Index B	20%	5%	40%
Index C	10%	15%	20%
Index D	50%	30%	10%

For this example, the Guaranteed Rate of Return for the Term is 2.00% and the Maximum Rate of Return for the Term is 40.00%.

The table below shows the percentage change in the value of the securities from two business days after the Issue Date to the Calculation Date.

Index	Issue Date Value	Calculation Date Value	Percentage Change (%)
Index A	$10.25	$8.15	-20.49
Index B	$42.68	$36.40	-14.71
Index C	$23.45	$19.50	-16.84
Index D	$28.67	$24.87	-13.25

Based on this, the percentage change in the value of the indices is determined as follows:

Index A

$$\frac{\$8.15 - \$10.25}{\$10.25} \times 100 = -20.49\%$$

Index B

$$\frac{\$36.40 - \$42.68}{\$42.68} \times 100 = -14.71\%$$

Index C

$$\frac{\$19.50 - \$23.45}{\$23.45} \times 100 = -16.84\%$$

Index D

$$\frac{\$24.87 - \$28.67}{\$28.67} \times 100 = -13.25\%$$

Based on this, the Portfolio Return of the three Reference Portfolios is determined as follows:

Portfolio #1

Portfolio Return = (20% × -20.49%) + (20% × -14.71%) + (10% × -16.84%) + (50% × -13.25%) = -15.35%

Portfolio #2

Portfolio Return = (50% × -20.49%) + (5% × -14.71%) + (15% × -16.84%) + (30% × -13.25%) = -17.48%

Portfolio #3

Portfolio Return = (30% × -20.49%) + (40% × -14.71%) + (20% × -16.84%) + (10% × -13.25%) = -16.73%

As a result, the Best Performing Reference Portfolio is Portfolio #3 with a return of -15.35%. The Guaranteed Rate of Return for the Term in our example is 2.00%. Since the Portfolio Return is less than the Guaranteed Rate of Return for the Term, the Rate of Return for the Term is equal to the Guaranteed Rate of Return for the Term (i.e., 2.00%).

Assuming an Issue Amount of $1000, the holder of the GIC would be entitled to receive an interest payment of $20.00 on the Maturity Date.

BMO Progressive GIC Index. An index created by the Calculation Agent (the "**BMO Progressive GIC Index**") will be provided to you as a tool or proxy to help you track the market performance of the Reference Portfolio from time to time. The value of the Reference Portfolio, as of market close, two business days after the Issue Date is 100.00 (the "**Opening Index Value**"). The value of the BMO Progressive GIC Index at particular dates (the "**Current Index Value**") will be disclosed in periodic investment statements and will also be available at any branch of the Bank or through the Bank's Online Banking Service. The BMO Progressive GIC Index is only a tool to help you track the market performance of the Reference Portfolio and is not, under any circumstances, a representation of the value of the GIC at any point in time. The final value of the GIC can only be determined on the Calculation Date.

Market Disruption and Other Special Circumstances. There is always the possibility of a market disruption or other events beyond our or the Bank's reasonable control that may have a material effect on the Calculation Agent's ability to calculate a rate of return on your investment, on our ability to manage the related risk, or for us to otherwise perform our obligations. If a market disruption event occurs on a day on which the Portfolio Return is to be determined, determination of the value of the Portfolio Return may be delayed. Determination and payment of the amount of interest payable may be delayed in certain circumstances. Fluctuations in the value of an index may occur in the interim. In certain unusual circumstances, the Calculation Agent may estimate the value of an Underlying Interest or a constituent security of an index in the Reference Portfolio, replace an Underlying Interest with a new index or security and/or determine the amount of interest, that may be payable in an alternate manner. However, in no event will the Issue Amount or any returns on the investment be paid prior to the Maturity Date.

A market disruption event may affect the manner in which the interest payable is calculated.

We have the right to replace the Underlying Interests with other stock market indices or securities, which we will exercise in certain circumstances, including if an Underlying Interest becomes closed to additional purchases, discontinued or otherwise wound-up or if it merges into, consolidates with or is combined with any other investment, or where there is a suspension or limitation of the sale or redemption of the investments, or where the cost or ability of any dealer to hedge our obligation under your GIC is materially adversely affected by circumstances beyond its control.

In the event that a market disruption event materially affects our cost or ability to hedge our obligation under your GIC, no further returns will be calculated, determined or earned for the remaining term of the investment. If such a market disruption event occurs, the possibility of your investment earning a return greater than the Guaranteed Rate of Return for the Term is significantly reduced.

Reinvestment of the Issue Amount. For all non-registered accounts, on the Maturity Date, if you have not provided us with Maturity Instructions (as described below), the Issue Amount plus the Variable interest, will be automatically reinvested in a nonredeemable BMO Guaranteed Investment Certificate issued by us, fully guaranteed by the Bank, having a one-year term and bearing interest at our posted rate for one-year GICs on the Maturity Date.

For all registered accounts, on the Maturity Date, if you have not provided us with Maturity Instructions (as described below), the Issue Amount plus the Variable Interest, will be automatically deposited into savings within the registered plan.

Maturity Instructions. If, on the Maturity Date you do not wish the Issue Amount and the Variable Interest, to be automatically reinvested as provided for above, you must inform the Bank, at least 20 days prior to the end of the Term. A maturity option change is not available through the Bank's Online Banking service.

Confirmation. We will provide you with written confirmation (the "**Confirmation**") of the Series Number, Issue Amount, Issue Date, Term, Opening Index Value, Guaranteed Rate of Return for the Term, Maximum Rate of Return for the Term and any other information we consider to be necessary.

Statements. We will issue statements at least annually for registered plan accounts only, showing the Issue Amount, Opening Index Value, Current Index Value and any other information we consider to be necessary.

Currency. All amounts will be deposited, calculated and are payable in Canadian dollars.

Certificate. A certificate representing your investment is not available.

Restrictions on Sale. Your GIC is only available for sale within Canada and may only be held by Canadian residents. Your GIC may be subject to further restrictions within any relevant province or territory. Your GIC has not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered, sold or delivered within the United States or to United States persons (as such expressions are defined in the United States Internal Revenue Code and regulations thereunder).

Transfer. Your investment in each of the STIC and the GIC is not transferable.

Early Redemption. You may not redeem your investment prior to the Maturity Date. However, we may redeem your investment without penalty prior to the Maturity Date in the event of your death.

Continued

Redemptions from a Registered Retirement Income Fund Plan ("RRIF Plan"). If you:

a) directed withdrawal from the RRIF Plan, or we are otherwise required by law to make an Annual Minimum Payment ("AMP"), and

b) there is not sufficient cash or other investments in the RRIF Plan which can be redeemed or sold to follow your direction or to make an AMP, the GIC will be redeemed in part or in full and you will not be entitled to receive the Variable Interest, if applicable, or any accrued interest on the redeemed amount.

It is your responsibility to give us instructions and to make sure that there are sufficient cash or other investments within the RRIF Plan for the AMP, if applicable. The Variable Interest will be based on the principal amount at maturity which may be reduced by any required or requested payments or withdrawals prior to maturity.

Ownership Status. We are not obligated to (i) inquire into your interest in the investment, (ii) advise as to tax considerations or (iii) see to the execution of any trust. For each investment that you purchase (i) on behalf of a minor, (ii) that is registered other than "in trust", or (iii) as a gift for others, we will require proof of ownership satisfactory to us and you will be required to sign to effect transactions with respect to your investment after purchase of the investment.

CDIC Deposit Insurance. The Bank is a member of the Canada Deposit Insurance Corporation ("**CDIC**"). Deposits with the Bank held in Canadian currency and foreign currencies are eligible for CDIC insurance up to applicable limits. The GIC is eligible for such CDIC insurance coverage.

STIC Terms & Conditions. Between the date you deposit funds with us (the "**Purchase Date**", as set out in the Confirmation) and the Issue Date, the funds you deposit (the "**Purchase Amount**") will be invested in a STIC.

The Purchase Amount of the STIC set out in the Confirmation, and interest payable on the Purchase Amount, is unconditionally guaranteed by the Bank. On the maturity date of the STIC, being the Issue Date, the Purchase Amount and the interest accrued on the Purchase Amount at the STIC Rate of Return, accrued daily, for the period from the Purchase Date up to the Issue Date, will be the Issue Amount automatically reinvested in the GIC. There are no fees and expenses applicable to an investment in the STIC. If you cancel your order to purchase the GIC we will return the funds you invested together with interest at the STIC Rate of Return from the date of investment to the earlier of the cancellation date and the Issue Date. The STIC cannot otherwise be redeemed or transferred.

Certain Canadian Federal Income Tax Conditions

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations generally applicable to the acquisition and holding of GICs and STICs by an initial investor in such products pursuant to these Investment Terms and Conditions. This summary applies only to individuals (other than trusts) that are at all relevant times resident (or deemed to be resident) in Canada and deal at arm's length with, and are not affiliated with, the Bank, for purposes of the Income Tax Act (Canada) and the regulations thereunder (collectively, the "**Tax Act**").

This summary is based on the current provisions of the Tax Act in force on the date of these Investment Terms and Conditions, our understanding of the current administrative and assessing practices and policies of the Canada Revenue Agency and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof. No assurance can be given that any proposals to amend the Tax Act will be enacted as proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or the Canada Revenue Agency's administrative or assessing practices and policies, whether by legislative, governmental or judicial action. This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in a GIC or STIC, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed as, legal or tax advice to you. You should consult your own tax advisor for advice with respect to the income tax consequences of an investment in a GIC (or STIC), based on the Investment Terms and Conditions of the GIC (or STIC) and your particular circumstances.

GIC

An amount based on accruing the Guaranteed Rate of Return over the Term should be included in your income annually to the extent accrued to the end of the anniversary day of the GIC in the applicable taxation year (except to the extent that the amount was included in computing your income for a prior year). Based on the Canada Revenue Agency's administrative practices, you should not be required to include in your income any amount in respect of Variable Interest (in excess of the Guaranteed Rate of Return), on a GIC until the year in which the Calculation Date occurs.

Interest Accrued on STIC

Interest accrued on your STIC to the Issue Date must be included in your income in the year in which your GIC is issued.

Reporting

The Variable Interest and interest accrued on your GIC, as well as any interest accrued on your STIC, will be treated as interest and will be reported on a Form T5 and Relevé 3 (where applicable) in accordance with the *Tax Act* and the *Taxation Act* (Quebec) and the regulations thereunder.

Continued

Eligibility for Investment

GICs (or STICs) issued on the date of these Investment Terms and Conditions would be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), registered disability savings plans ("RDSPs"), registered education savings plans ("RESPs"), deferred profit sharing plans (other than a trust governed by a deferred profit sharing plan to which contributions are made by the Issuer or by an employer with which the Issuer does not deal at arm's length within the meaning of the Tax Act), tax-free savings accounts ("TFSAs") and first home savings accounts ("FHSAs").

Notwithstanding the foregoing, if GICs (or STICs) are "prohibited investments" (as that term is defined in the Tax Act) for an RRSP, RRIF, TFSA, FHSA, RDSP or RESP, the annuitant of the RRSP or RRIF, the holder of the TFSA, FHSA, or RDSP, or the subscriber of the RESP, as the case may be (each a "**Plan Holder**"), will be subject to a penalty tax as set out in the Tax Act. GICs (or STICs) will be prohibited investments for an RRSP, RRIF, TFSA, FHSA, RDSP or RESP of a Plan Holder who has a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in the Issuer or who does not deal at arm's length, within the meaning of the Tax Act, with the Issuer.

Risk Factors. An investment in the GIC is subject to certain risk factors that you should carefully consider before acquiring the GIC, including the following factors:

No Assurance of Returns. Aside from the Guaranteed Rate of Return for the Term, there is no assurance that the Reference Portfolio will be able to generate positive returns. Therefore, this GIC is not a suitable investment for you if you need or expect to receive a return on your investment greater than the Guaranteed Rate of Return for the Term. The GIC is designed for investors who are prepared to hold the GIC to the Maturity Date and who are prepared to assume risks with respect to a return tied to the performance of the Reference Portfolio.

Maximum Rate of Return for the Term. The Rate of Return for the Term payable on your GIC is subject to a maximum value. If the Portfolio Return is greater than the Maximum Rate of Return for the Term, you will not participate in the increase of value of the Reference Portfolio beyond the Maximum Rate of Return for the Term.

Non-Conventional Indebtedness. The GIC has certain characteristics that differ from conventional forms of indebtedness in that it does not provide you with a return or income stream prior to the Maturity Date, or a return payable on the Maturity Date calculated by reference to a fixed or floating rate of interest that is determinable prior to the Maturity Date. You will not have an opportunity to reinvest any income generated by the GIC prior to the Maturity Date; nor will you be able to, prior to the Calculation Date, determine whether the Rate of Return for the Term payable to you on the Maturity Date will be greater than the Guaranteed Rate of Return for the Term.

No Secondary Market. The GIC is designed for investors who are prepared to hold their investment to the Maturity Date. Your GIC will not be listed on any exchange and there will be no market through which the GIC may be sold. Also, the GIC is not transferable. As a result, you will not be able to redeem or sell your GIC prior to the Maturity Date, and the Issue Amount and the Variable Interest are payable only on the Maturity Date.

Risks Relating to the Reference Portfolio. The Rate of Return for the Term will be based on the market prices of the Underlying Interests on the Calculation Date. Market prices of the Underlying Interests are unpredictable and will be influenced by factors that are beyond our control. Market prices of the Underlying Interests will be influenced by the complex and interrelated political, economic, financial and other factors that can affect markets generally, and by various circumstances that can influence the value of a particular index. Historical prices of the Underlying Interests should not be considered any indication of the future performance of the Underlying Interests.

No Independent Calculation. The Calculation Agent will be solely responsible for computing the Rate of Return for the Term based on the Portfolio Return of the Best Performing Reference Portfolio. No independent calculation agent will be retained to confirm any determinations or any calculations made.

No Ownership of the Securities Comprising the Index. Owning the GIC is different from owning the Underlying Interests or a constituent security of an index in the Reference Portfolio. The GIC does not represent a direct substitute for an investment in those securities. The GIC will not entitle you to any direct or indirect ownership of or entitlement to any Underlying Interests or a constituent security of an index in the Reference Portfolio. As such, you will not be entitled to the rights and benefits of a securityholder, including any right to receive distributions or dividends or to vote at or attend meetings of securityholders.

Conflicts of Interest. We, the Bank and our respective affiliates may, from time to time in the course of normal business operations, hold interests in or hold securities of (including under hedging arrangements related to the GIC), extend credit to or enter into other business dealings with one or more of the entities whose securities are held in, or make up the Underlying Interests. Such actions shall be based on normal commercial criteria in the particular circumstances, which may include

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payment of trailer fees to us, the Bank or our affiliates, and may not take into account the effect, if any, of such actions on the Variable Interest.

Credit Risk. Because the obligation to make payments to you under the Investment Terms and Conditions of the GIC is an obligation of us and the Bank, the likelihood that you will receive the payments owing to you in connection with the GIC will be dependent upon the financial health and creditworthiness of us and the Bank.

Right of Rescission. You may cancel your order to purchase the GIC by contacting the Bank either at a branch or by telephone any time up to the third business day after the later of: (i) the day on which the agreement to purchase the GIC is entered into; and (ii) receipt of these Investment Terms and Conditions.

Deemed Date of Agreement to Purchase. If you place an order to purchase the GIC in person or by telephone, the agreement to purchase the GIC will be deemed to have been entered into on the date you agreed in writing, if in person, or orally, if by telephone, to the summary of the terms of the GIC.

Deemed Date of Receipt of these Investment Terms and Conditions. You will be deemed to have received these Investment Terms and Conditions on the earlier of: (i) the day recorded as the time of sending by the server or other electronic means, if sent to you by electronic means; (ii) the day recorded as the time of sending by the fax machine, if sent to you by fax; (iii) five business days after the postmark date, if sent to you by mail; and (iv) when it is actually received by you, if given to you in person.

Plan Withdrawal Fees. If the investment is held in a retirement savings plan, locked-in retirement savings plan or locked-in retirement account (the “Plan”), a fee (the “Withdrawal Fee”) will apply to a withdrawal of the GIC from the Plan. The current Withdrawal Fee is published in our Agreements, Bank Plans & Fees for Everyday Banking.

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Privacy Disclosure & Consent

Your Personal Information

To learn more about how we collect, use, disclose and safeguard your Personal Information, your choices, and the rights you have, please see our Privacy Code (available at bmo.com/privacy, or from any of our branches).

What is Personal Information?

Your Personal Information is information about you that you provided to us or information we collected from other sources such as credit reporting agencies, and includes your name, address, age, financial data, Social Insurance Number, employment information, and other information that could be used to identify you.

Why do we need your Personal Information?

We collect and use your Personal Information to:

- verify your identity;
- ensure we have accurate information about you;
- understand your financial needs (including your eligibility for products and services you requested or accepted or were pre-approved for);
- to manage our relationship;
- protect against fraud and manage other risks;
- communicate with you regarding products and services that may be of interest;
- understand our customers, including through analytics, and to develop and tailor our products and services;
- comply with legal or regulatory requirements, or as permitted by law; and
- respond to questions you may have.

If we use your Personal Information for a different purpose, we will identify that purpose.

Sharing Your Personal Information

BMO Financial Group consists of Bank of Montreal and its affiliates. Your Personal Information, including information about your authorized representatives and beneficiaries, is shared within BMO Financial Group, to the extent permitted by law, to:

- ensure we have accurate information about you, and your authorized representatives and beneficiaries;
- manage our total relationship;
- provide a better customer experience;
- meet your needs as they change and grow; and
- manage our business.

Your Choices

Sharing: You may choose not to allow us to share account-specific information within BMO Financial Group, but you understand we will share your Personal Information where two or more BMO Financial Group affiliates provide you with jointly offered products or services.

Direct marketing: You may choose not to allow us to use your contact information for direct marketing, such as mail, telemarketing or email informing you about products and services we think may be of interest and value to you.

Please see “Contact Us” in our Privacy Code for more details on how to opt out.